

Solid Waste Funding Workgroup January 27, 2012, Meeting Notes

The meeting was held from 9:00 a.m. to Noon in the Con Con Conference Room, Atrium South, Constitution Hall, Lansing, Michigan.

The workgroup was welcomed. The members introduced themselves and identified which organization they are representing.

Jason Geer	Michigan Chamber of Commerce
Sandy Rosen	Michigan Recycling Coalition
Tom Frazier	Michigan Townships Association
Michael Csapo	RRRASOC representing waste authorities
Bill Lobenherz	Michigan Soft Drink Association representing the Michigan Recycling Partnership
Gary Dawson	Consumers Energy Company representing Type III landfill interests
Patty O'Donnell	Northwest Michigan Council of Governments representing the Michigan Association of Regions (Phone)
Tonia Olson	Granger representing Michigan Waste Industries Association
Roger Simon	Louis Padnos Iron & Metal Company representing Institute of Scrap Recycling Industries
Doug Wood	Kent County Department of Public Works representing Waste to Energy facilities and County Public Works Departments
Liz Browne	Department of Environmental Quality, Resource Management Division
Steve Sliver	Department of Environmental Quality, Resource Management Division
Matt Flechter	Department of Environmental Quality, Resource Management Division
Also invited but unable to be present were...	
Randall Slikkers	Goodwill Association of America representing reuse stores
Geoffrey Donaldson	St. Clair County representing Michigan Association of Counties
William Hinz	Allegan County Health Department representing Health Departments (MALPH)
Andy Such	Michigan Manufacturers Association representing MMA
James Clift	Michigan Environmental Council
Jason Mancini	Michigan Municipal League representing MML

The notes for the December 9, 2011, and January 6, 2012, meeting were distributed. If there are not any changes or revisions **the DRAFT label will be removed from the notes when they are placed on the Web located at http://www.michigan.gov/deq/0,4561,7-135-3312_4123-261534--,00.html.**

The workgroup clarified that the group feels it is important to make a specific recommendation for funding the core Solid Waste Management Program with a specific funding mechanism and

also identify additional funding options for the various activities (e.g. measurement, Solid Waste Planning) that are not part of the core program. A workgroup member suggested the recommendations be broken into short-term and long term action.

The DEQ program activity table was distributed with a couple of minor edits requested at the January 6, 2012, meeting. The surcharge collection and financial assurance activity staffing level was slightly reduced to better reflect the staff necessary to accomplish those functions. The reduction represented a shift because those activities are currently being managed by three different staff, the statewide engineer, the statewide geologist, and the Solid Waste Planning specialist. The shift will result in those staff being available to provide technical assistance and permitting guidance.

The workgroup identified a concern that the amount of district staff may not be adequate to perform the statutorily required functions. The staffing levels were kept at the lowest possible level and may need to be re-evaluated. For example, as currently envisioned there will only be one solid waste staff person for the entire Upper Peninsula.

The format of the final report was discussed. The workgroup members requested that a description of staff activities be included in the report, specifically the activities of the proposed recycling staff. Additionally, workgroup members requested that the work activity descriptions be linked to state law, for example the 10% rule for materials recovery facilities and Solid Waste Planning.

It was requested that the funding sources currently used for funding Solid Waste Policy activities be identified in the report. Additionally, the workgroup requested that the information presented thus far (from PowerPoint presentations on staff activities and funding sources) be included in the final report.

The remainder of the meeting was spent discussing potential funding methods. It was recognized that relying only on a solid waste surcharge creates a situation where a more successful recycling/utilization program results in diminished revenue.

It was recommended that the funding be divided into two separate sources, 1) funding mechanism for landfill services (e.g. inspections) and 2) more generally applied funding mechanism for policy implementation.

The concept of a "sustainability fee" (transaction fee) was discussed. The fee would be collected by retailers per consumer transaction.

Also, the concept of "broadening the base" for the solid waste surcharge collected was discussed. The solid waste surcharge could be collected on other waste that is not disposed (e.g. compost facilities, materials recovery facilities). The fees could be variable based on the risk and regulatory oversight necessary.

The "contracting inspections" sub-committee met during the SWFW meeting. A handout was provided by the sub-committee that identified other states that use third party inspections.

Preliminary recommendation is to keep inspections within DEQ primarily because it is important to maintain transparency and public trust. Also, there are additional inspections and interactions

between facilities and oversight. Furthermore, the DEQ would still have a role in oversight of the third party inspectors. Liability issues are also an item of concern.

There may be opportunities to streamlining inspections and reducing the frequency of inspections based on successful previous inspections. Also being considered would be variable fees based on frequency of inspections necessary to maintain compliance. The type of facility and technology used may also require a different level of inspections and frequency, and therefore cost. Stakeholder support for variable fees, based on compliance and frequency of inspections, will be important to avoid future conflict.

Next Meeting is February 17, 2012, 9:00 a.m. to Noon, Con Con A & B Conference Room, Atrium South, Constitution Hall, Lansing, Michigan.